Ralph Lapp Vindicates Pauling on Carbon-14, P. 3

Dr. Otto Nathan on the 1958 Depression, Pps. 2-3; Danger Signals in the Election Results, P. 4

I. F. Stone's Weekly

VOL. VI, NO. 44 NOVEMBER 10, 1958 WASHINGTON, D. C. 15 CENTS

The New Menace Hidden in the 'Clean' H Bomb

Behind the closed doors of Lancaster House in London, on the afternoon of Friday, July 5, 1957, Jules Moch of France delivered a warning of which few are aware. The occasion was the 131st meeting of the 5-power subcommittee of the UN Disarmament Commission. It was only made public months later, and then only in the sense that the mountainous transcript of these interminable year-long talks was dumped on the press table at the UN headquarters in New York. Few of us had time to read it, and I myself only dug out the record when my curiosity was aroused by a reference to it in Philip Noel-Baker's new book, *"The Arms Race."*

A New Point of No Return

What Moch had to say that day in London provides the best answer to those like the AEC's new chairman, John A. McCone, who argue that a cessation of testing is not disarmament and to those like Dr. Edward Teller who plead that an end of testing will prevent us from developing a "clean" bomb. What they mean by a "clean" bomb is a bomb which is a pure thermonuclear device, depending wholly on *fusion* rather than fission. "Under present world conditions," M. Moch warned, "such a discovery might well rule out all possibility of controlling the cut-off of the production of fissionable materials for military purposes, because the new explosive materials and detonators might be producible by comparatively routine methods employing substantially fewer resources than are required for the production of fissionable materials. We should then have passed the 'point of no return' . . . Control over future production, which at present is still feasible, would in its turn become impossible, and the world would have moved farther along the road to catastrophe." These words deserve wider attention.

So long as bombs depend on fissionable materials, Mr. Noel-Baker explains, their production requires "extensive plants, which cannot be concealed." On the other hand the making of *fusionable* material for H-bombs "is done by electrolysis, and the necessary installations can be relatively small." Once an H-bomb can be detonated "clean," i.e. without using fissionable materials, "the raw materials" for making them "are so abundant that no control of them would be possible at all. In fact," Mr. Noel-Baker writes, " 'clean' bombs are now the next great danger in the arms race, and the strongest of all reasons for stopping tests."

Hoover Proposed Abolition of The Bomber

Once this new stage of technology is reached even the smaller and poorer nations could afford to threaten each other and the world in thermonuclear megatons. The clocks that tick away as the testing parley begins in Geneva and the United Nations sets itself up as an 81-member disarmament commission are clocks which mark the ever shrinking minutes that separate us from this terrible new milestone. We have been passing them rapidly. It is something of a shock to be reminded by Mr. Noel-Baker that as recently as 1932, a personage as important as President Herbert Hoover was proposing the total abolition of the bombing plane to the League of Nations disarmament conference of that year. How much agony Europe might have been spared if some such measure had then been adopted!

Controls May Soon Be Impossible

For us the points of no return click off ever faster. The discovery of the atom bomb was one; its use on fellow human beings at Hiroshima another. Then there was the Russian discovery of the secret. There was the moment when Robert Oppenheimer sealed his own doom by daring to suggest that we ought to negotiate with the Russians before playing Frankenstein to the next monster, the H-bomb. They got it before we did. Then there came the new terror, the Intercontinental Ballistic Missile, which can carry death in 30 minutes between the Eastern and Western hemispheres, another Russian first. We can still talk, and hope to in November at Geneva, of some way to prevent surprise attacks by ICBM. But when and if the 'clean' bomb comes, as it will if testing goes on, controls will be impossible. A dark night of fear may settle on mankind, dividing it into ugly garrison state dictatorships, ever tense for enemies within and without. The men on our side obsessed with fear of Communism may by this route bring the worst kind of Stalinism everywhere.

Trickery on Both Sides

This is the danger we must try to bring home to people if pressure is to be aroused for success in the new parleys. Trickery menaces them from both sides; ours insists in wrapping test cessation in a package with endless qualifications and loopholes. On the other side, the Russians are trying to renege on their agreement to set up controls; they want a promise to end tests *without* inspection. On our side, the unwillingness to end tests has deep roots in the fear that without the arms race, American capitalism will bog down into depression. On the other side, there is a psychosis about secrecy inconceivable except to those who have actually been in Russia, where even telephone books are not freely accessible. Our leadership has no faith that our system can work without the perpetual inflationary fevers of the arms race. Their leadership has no faith that their system can work unless kept closed as a hothouse against fresh winds and fresh ideas. Hence the deadlock already visible.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A Distinguished Economist Looks at the Lessons of the 1958 Depression . . .

The business cycle has been an especial concern of the distinguished economist, Dr. Otto Nathan, first under the Weimar Republic in Germany, then as special economic adviser here in 1930-31 to President Hoover's Emergency Committee of Employment, and later as a lecturer on economics at Princeton, Columbia, Vassar, Howard and New York University. He was chief economic analyst for the Treasury in 1944-45. This background gives particular interest to his views on our current economic situation, written by request for the Weekly.

BY DR. OTTO NATHAN

The apologists of American capitalism rejoice in the contention that the recent depression had come to an end earlier than many expected and that capitalism had once more demonstrated its inherent recuperative powers. A look at the many tables and charts which the statistical mills are ceaselessly grinding out does indeed indicate that, taking the economy as a whole and forgetting about conditions in individual industries and businesses, the contraction halted sometime early last Spring and that expansionist forces have since operated. In the six months that elapsed, steel production rose by over 30% (still about 1/3 below its previous peak), orders, production and sales of machinery and durable consumer goods have been increasing considerably, personal incomes and consumption reached new highs, industrial profits have been rising, the stock market has been extremely active at fast increasing prices, and total national income regained about half of its loss during the depression. On the surface, these changes seem impressive. What remains conveniently hidden, are the many unevenesses as well as the many serious uncertainties and defects in the economy, most important of which is the almost unchanged large number of around 7 million unemployed (including the millions of only partly employed workers). It is, therefore, a euphemism to say that the depression is "over."

To both apologists and critics of capitalism the depression should provide food for thought. The apologists should realize that capitalism, in essence, has not changed; the critics, that many changes in capitalist institutions have taken place which make dogmatic reasoning and over-simplification more misleading than ever.

A Myth Exploded

The 1958 depression has made it clear that capitalism is as unstable, insecure, and unpredictable as ever. The myth, so ingeniously and laboriously built up, of a depression-proof American economy has been exploded. For years the apologists have claimed that the government and the business world had at last accomplished the miracle of never-ceasing "balanced growth." That was meant to imply the possibility of continuous expansion of productive capacity without the disequilibria and imbalances that have characterized economic development ever since capitalism came of age. The critics, on the other hand, have held that the massive government expenditure for military purposes provided a temporary cushion against depressions. Now, it has been demonstrated that both views are mistaken. Capitalist instability is still a stark reality: the built-in stabilizers, such as social insurance and the automatically depression-responsive income-tax-collection-system, or continued heavy public spending for armaments are incapable of preventing imbalances and wide fluctuations; capitalism is not able to enjoy expansion with relative stability without a broad measure of centralized, over-all planning.

It must have come as a shock and a lesson to the apologists that, despite all the wonders which the American economy had allegedly accomplished since the end of the war, precipitate declines could still occur. Within a few months, production in the steel industry shrank by almost 50% and unemployment rose from 2 to 5 million men totally out of work and millions only employed part-time. The depression affected almost all parts of the economy. It made it obvious, although daily experiences at all times—depressions or booms—should have taught the lesson long since, that "security" cannot exist for anybody under capitalism. All decisions about purchases, sales, inventories, investments, prices, etc., have to be made without real knowledge of what the future may be. False investments, overcapacity, disequilibria, painful losses, failures, unemployment and personal misery are hence unavoidable. The depression even accentuated the feeling of insecurity because of the inevitable diversity of predictions about its course, its potential depth and its possible duration. Whom should businessmen believe? What should they accept as the basis of their decisions?

It is chiefly to offset or circumvent this basic insecurity, as it affects groups or individuals, that capitalism has been changing for many years, and particularly since the 1929 depression. Whether it is the concentration of economic power, which makes planning within industries and better protection of profits possible, whether it is trade-unionism which tends to improve working and living conditions of workers in various ways, whether it is bank deposit insurance, social security, price and production policies in agriculture or some other scheme—they all were directed at minimizing the hardships of capitalist instability in *segments* of the economy, and they all have done so with more or less success. But have those measures also minimized *over-all* instability? A depression in capitalism is always an indication of maladjustments and disproportionalities that inevitably accumulate during a boom. Sooner or later, at an unpredictable moment, they cause a contraction in the economy which feeds on itself through self-cumulative processes. Is it possible that, because of the many changes in capitalism, those which were mentioned and many others, such maladjustments may develop more slowly or may not attain their former magnitude and that depressions may thus be less severe? Is it possible that those self-cumulative processes will be offset to some extent by a slower decline of consumer purchasing power—thanks to unemployment and old-age insurance, long-term collective labor contracts which prevent or postpone steep declines in wage-rates, the maintenance of farm income and the better regulated dividend policy of corporations? Further, is it possible that the course of depressions has been altered by the absence of the customary initial breakdown in the money and credit markets and by the lack of bank failures due to deposit insurance? Is it possible that governments, whatever their political constellation, will henceforth be compelled to take certain anti-depression measures, as the Eisenhower administration did, however inadequately, during this depression, and that the resulting deficit-financed spending may minimize those self-cumulative processes?

Over-All Instability Reduced

The answer to all these questions is affirmative: no serious and honest student can deny that the institutional changes in capitalism, resulting both from self-evolutionary processes in the system and from measures adopted to correct its most intolerable features *may* cut the edges of over-all instability and hence preclude a repetition of the 1857 or 1929 debacle. But the inherent instability of capitalism, affecting millions even in times of prosperity, and the unpredictability of its developments have remained with us. The present situation offers a good example. One leading business magazine asserts that, the first phase of the upturn having come to an end, the second phase of expansion is just beginning "which

Award for Insipidity

In a short pause for station identification, we would like to make our annual award for sheer insipidity to CBS, Walter Cronkite, and Prudential Insurance Company (the sponsor) of "Twentieth Century's" two part Sunday night show called "The Red Sell." The low point of this supposed expose of Communist propaganda was a bit by Daniel Schorr, who knows better, suggesting that Sputnik was a "gimmick" designed deliberately it seems to undermine faith in capitalism. One inane East German propaganda film about U. S. soldiers misbehaving in a night club was used over and over again, though we have made films as silly and distorted on our side. This "Twentieth Century" show was just about as wooden as the most wooden of Communist efforts, and would immensely improve morale in Moscow if shown there since it would demonstrate that tasteless propaganda is not a Soviet monopoly. Prudential Insurance Company must be run by executives of little taste and less intelligence if they buy tripe of this kind with their policy-holders' money.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

. . . Little Decline in Joblessness Though Business Activity Has Revived

will open the vista of an unprecedented boom." On the other hand, gloom is being expressed in many quarters due to the unevenness of the recovery, due to the concern felt for particular industries, such as automobiles, and chiefly due to the very unusual situation in the money and credit markets. Sharply higher interest rates and tightening of the credit supply, as they have lately occurred, are quite uncustomary so early after the end of a depression. Fears are being expressed that this monetary condition may stifle the recovery movement in its infancy, may discourage or prevent the resumption of investment in plant and equipment, so indispensable to economic expansion, and may throttle commercial and particularly residential construction which has so far been an important factor in the recovery.

Forecasting Hazardous

The causes responsible for the monetary developments once more illustrate the irreparable instability and vicissitudes of present-day capitalism. Those courses are: the government's need for relatively large borrowings which are the inevitable consequence of anti-depression measures and which, through pushing up interest rates, may defeat their very purpose; involuntary liquidation of wild speculations in government securities, and, finally, the Federal Reserve Board's urge to protect the economy from the alleged danger of inflation. Capitalists will always discover new ways of making money: a case in point were last spring's huge speculations in—of all things!—government securities, facilitated by ridiculously easy credit opportunities. When some of the speculators were forced to sell, prices tumbled. How stable is a system in which loans made to the government—the "safest" of any security!—lose more than 10% of their value within a few months and interest rates on Treasury Bills increase from 0.6 to almost 3% from June to September? A system, moreover, in which the Treasury's legitimate desire for easy money and low interest rates is undermined by the Central Bank's apparent obsession to fight "inflation" through restricting the credit supply and through favoring higher interest rates. Let it be said that no "inflationary" situation exists today in the United States; further, if it did exist, the tools with which to fight it would be quite different from those applied in the last few years.

The cloud of tighter and more expensive money which has lately been developing over the economy is the excuse for the reservations which some diagnosticians and analysts feel about economic conditions in the near future. Nobody should blame them for their caution; the innate inconsistencies, disharmonies and complexities of capitalism and our lack of real knowledge make any short-term forecast a hazardous project at any time.

There is one part of the economy, however, where the clouds are really dark: the labor market. Despite the increase in production, unemployment has hardly receded. The increase in the productivity of labor and in the hours of work, both customary at this stage in the business cycle, and the steady influx of additional employable workers, due to the increasing population, have offset the potential absorption of men by the improvement of production. Even if the recovery should make headway in the near future, the outlook for labor remains far from favorable. Once more the American people, and particularly the American working class, may have the painful opportunity to learn that unemployment is the almost chronic malady of capitalism and that, in capitalism, even "prosperity" is only a facade behind which a so-called boom exists side by side with instability, idleness and misery.

Copies are still available at the bulk rate of three cents per hundred or more of the full text of the final statement issued by the third Pugwash nuclear conference held in Austria recently. This text has appeared nowhere else in the United States except the Oct. 31 issue of Science, organ of the American Association for the Advancement of Science.

Linus Pauling's Warnings About Carbon 14 Vindicated By New AEC Study

In an address in Washington last April 28, Dr. Linus Pauling for the first time called public attention to a new menace in radioactive fallout from bomb tests, that of Carbon 14. (See full account in Dr. Pauling's trenchant book, No More War). He was met with a barrage from the AEC which made him appear to be a sensationalist, unreliable unscientific. Now it appears that the AEC's own Division of Biology and Medicine has discovered that Dr. Pauling was right. Though this is news, it got into no press releases and was given to no reporters. It remained for Dr. Ralph E. Lapp, whose books have done so much to educate the public on nuclear matters, to call attention to Dr. Pauling's vindication in a letter which the New York Times published on Nov. 2. We reprint it here for readers who may have missed it. This is another example of the way the AEC's Dr. Libby and some of his close associates mislead the public, and of how poorly the papers cover news which runs counter to the official AEC pro-testing line. —IFS.

To the Editor of the New York Times:

The New York Times reported on April 29 that Dr. Linus Pauling had called attention to the radioactive menace of bomb-produced radiocarbon 14. Subsequently, Drs. Kulp, Kroecker and Schulert, in a letter published in The Times on May 2, took issue with Dr. Pauling, criticizing him for erroneous statements and admonishing "exaggerated statements by respected scientists only add to the public's confusion and do not contribute to the solution of the problem."

Dr. W. F. Libby, scientist-member of the Atomic Energy Commission, stated on May 3 "Therefore, the extra radiation dose from this product of nuclear tests is equivalent to an increase in altitude of a few inches."

In a letter printed on May 16 Dr. Pauling challenged the views of Drs. Kulp and Libby, stating that the radiocarbon from thirty megatons of fission energy release "will ultimately be responsible for the birth of 230,000 seriously defective children and also for 420,000 embryonic and neonatal deaths."

The Division of Biology and Medicine of the Atomic Energy Commission has just issued Document WASH-1008, "The Biological Hazard to Man of Carbon 14 from Nuclear Weapons." Since this writer has in the past been critical of the A. E. C., I am happy to compliment that agency upon a very objective and fair evaluation of the carbon 14 hazard.

The study reviews the variety of estimates made for the carbon 14 problem, examines the different assumptions of various scientists, including those of Dr. O. I. Leipunsky, and concludes that bomb carbon 14 produce to date (prior to latest Soviet tests) may ultimately involve 100,000 cases of gross physical or mental defect, 380,000 cases of stillbirths and childhood deaths and 900,000 cases of embryonic and neonatal deaths.

The A. E. C. report comments on these figures by stressing that "genetic damage estimates are subject to large uncertainties and should be used in this light."

Even though some of Dr. Pauling's assumptions differ from those of the A. E. C. report, it is significant that his estimates for thirty megations of bombs are roughly half those for the bombs tested up to this summer. Reliable reports put this megatonnage at sixty megations, so that Dr. Pauling's estimates agree quite closely with the most recent A. E. C. estimates.

Absolute numbers such as those cited for carbon 14 genetic damage are impressive, especially when they apply to the 266 future generations covered by the persistence of carbon 14's long life (average life of 8,000 years). The expectable annual rate of carbon 14 casualties is of course very low and is not detectable. Thus one's evaluation of the hazard depends upon one's point of view—this fact accounts for the disagreement of some experts.

When the experts disagree the people may be confused. However, disagreements in science are often essential to progress and understanding.

RALPH E. LAPP.

Arlington, Va., Oct. 27, 1958

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Many New Progressives Among the Democrats But Faster Arms Race in Prospect

Election Returns Good News for the Negro But Not For Peace

There is much to cheer in the election results. The retirement of Knowland, Bricker, Potter, Malone and Revercomb from the Senate is good news even if their successors are as yet unknown quantities. It is a pleasure to note that Eugene McCarthy, who made a strong progressive record in the House, has been elected to the Senate from Minnesota; that another young liberal, Frank McGee, an assistant professor of history at the University of Wyoming, defeated the incumbent Republican Barrett for the Senate from that State; that a Democrat, Moss, defeated both the conservative Watkins and the ultra-reactionary J. Bracken Lee in a three-cornered race for the Senate in Utah; that Proxmire was returned to the Senate by Wisconsin, Langer by North Dakota, Gore by Tennessee and Yarborough by Texas; that Chester Bowles will be in the House from Connecticut; and that William H. Meyer, the first Democrat ever to be elected from Vermont to the House has been active (according to the news ticker) in the American Civil Liberties Union. We deeply regret the defeat of Leader by Hugh Scott in Pennsylvania; the former was a fine Governor and would have made a most progressive Senator.

The Negro's Opportunity

The huge Democratic landslide brings with it to Congress many fresh progressive faces. Even the incomplete returns showed majorities so large that the Southern Democrats will have great difficulty in controlling the party in Congress. Leadership is likely to pass from moderate Southerners like Johnson in the Senate and Rayburn in the House to the Northern liberals. This will further weaken the moderates in the South and tend further to polarize the conflict over the Negro's rights. With a bitter fight looming ahead in 1960, in which the Northern Negro vote will be crucial, prospects were never better for real gains on civil rights legislation and in the fight against the filibuster.

It is unfortunate that the country will be closer to a sectional North-South division than ever before since the Civil War, but only a firm showdown with the white supremacists might possibly prevent a steady deterioration on the race front.

Press Time Flash

Incomplete returns indicate that the Corliss Lamont Independent Socialist ticket we supported did very badly. The New York city vote was Lamont for Senator, 37,992; McManus for Governor, 23,538; and Mulzac for Controller, 27,006. Total City and State vote for McManus in 1954 was 96,000 and for Lamont in 1952 on the ALP ticket for Senator, 104,700; his city total that year, 94,000.

This election holds a high potential of victory for the Negro, and for labor it demonstrates that unionism cannot be beaten via right-to-work laws (soundly trounced in all industrial States). Where Nelson Rockefeller holds an edge for 1960 is that he represents a big capitalist willing to serve Negro aspiration, to advance the welfare State and to work with union labor—but asking in return a more intense arms race and a more belligerent foreign policy; in this too he has a secure potential alliance with George Meany.

The Rockefeller strategy, as worked out by such shrewd advisers as Anna Rosenberg, is really the Democratic formula. The conservatives, after this election, have no hope of winning through either party, and part of them will be won over to extremist lunatic fringe movements of the right. Unfortunately this is also a setback for the fiscal and military conservatives, who wanted some curb on the arms race and adventurism. The huge Democratic majorities mean more arms spending, more inflation, more cold war; it is significant that Harriman in his campaign attacked Nelson Rockefeller for having taken part in the summit meetings at Geneva, as though that were some kind of crime, though Rockefeller's chief contribution was as vehicle for the aerial inspection gimmick, a smart publicity device to put the Russians on the defensive but not a real way to advance the cause of peace. On the peace front this election offers no promise. I suspect that if the Republicans had spent more on arms and created more employment, there would have been no such deep tide against them. The Democrats, among them the strongest mouthpieces of the aviation and missiles lobbies, will not make the same mistake.

IFS Speaks Nov. 13, 8 p.m. Jewish Community Center, 1160 Dickinson, Springfield, Mass., on Foreign Policy

I. F. Stone's Weekly, 5618 Nebraska Ave., N. W. Washington 15, D. C.

Please renew (or enter) my sub for the enclosed $5:*

Name .....

Street .....

City .....**Zone**.....**State**.....

Enter gift sub for $2 (6 mos.) or $4 (1 yr.) additional:
11/10/58

(To) Name .....

Street .....

City .....**Zone**.....**State**.....

Shall we send gift announcement? Yes ☐ No ☐

I. F. Stone's Weekly
5618 Nebraska Ave., N. W.
Washington 15, D. C.

NEWSPAPER

Entered as Second Class Mail Matter Washington, D. C. Post Office

I. F. Stone's Weekly. Entered as Second Class Matter at Washington, D. C., under the Act of March 3, 1879. Post-dated Mondays but published every Thursday except the last two Thursdays of August and December at 5618 Nebraska Ave., N. W., Washington 15, D. C. An independent weekly published and edited by I. F. Stone; Circulation Manager, Esther M. Stone. Subscription: $5 in the U. S.; $6 in Canada; $10 elsewhere. Air Mail rates: $15 to Europe; $20 to Israel, Asia and Africa.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED